

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Northway Industries, Inc.

IMC-PA

IMC Helps Northway Industries Face Challenges of Foreign Competition

Client Profile:

Northway Industries uses high-pressure laminates, melamine, vinyl, paper, and wood veneer products to produce cabinets, closets, components and more. Located in Middleburg, Pennsylvania the company employs 120 people.

Situation:

Northway Industries had been very profitable and experienced regular growth for 35 years. However, when two of the company's primary customers turned to foreign providers, sales decreased dramatically. Company President Don O'Hora's first reaction was to identify and gain more customers. He discovered that demand was increasing for manufacturers who could produce smaller quantities with great efficiency. With that knowledge in hand, O'Hora and the Northway team set out to shift from high-volume manufacturing to reduced-volume production in direct response to customer demand. "We had a lot of questions on how to make the transition from mass production to single piece flow," O'Hora reflected. O'Hora turned to the Industrial Manufacturing Center (IMC), a NIST MEP network affiliate and division of the Mid-Pennsylvania Manufacturing Extension Partnership, for their expertise.

Solution:

IMC provided Northway with support in training and implementation of Lean and cellular manufacturing. With IMC assistance, the company also underwent a Value Stream Mapping project which highlighted many improvement opportunities. Several key improvements introduced were: total productive maintenance; pull production systems; and visual workplace techniques. With the help of IMC, Northway underwent several changes and transformed their manufacturing processes. "Through the support of IMC, we learned better ways to identify waste, and we changed how we measured our manufacturing process. We moved to a single piece flow, which has allowed us to be much more responsive, and we increased our capabilities to include assembled items," explained O'Hora. "The single-piece flow has allowed us to be more responsive. Our markets are opening up and we are able to reach customers whom we thought we couldn't service. Our customer base is larger than we had imagined."

Results:

- * Increased sales by \$864,000, an increase of 12 percent in 6 months.
- * Created 8 jobs.
- * Retained 120 jobs.

Testimonial:

"Through the support of IMC, we learned better ways to identify waste, and we changed how we measure our manufacturing process. We moved to a single piece flow, which has allowed us to be

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much more responsive, and we increased our capabilities to include assembled items. We are much more optimistic about Northway Industries' future, and we give a lot of thanks to IMC."

Don O'Hora, President